

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input checked="" type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>Village of Elberta</b>	County <b>Benzie</b>
Audit Date <b>2/28/05</b>	Opinion Date <b>6/23/05</b>	Date Accountant Report Submitted to State: <b>8/31/05</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☒ Yes ☐ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
	✓		
			✓
			✓

Certified Public Accountant (Firm Name) <b>Wilson Ward CPA Firm</b>			
Street Address <b>PO Box 205</b>	City <b>Interlochen</b>	State <b>MI</b>	ZIP <b>49643</b>
Accountant Signature <i>Wilson Ward CPA Firm</i>		Date <b>8/31/05</b>	

VILLAGE OF ELBERTA  
BENZIE COUNTY

ELBERTA, MICHIGAN

For Year Ended  
February 28, 2005

Audit Report

Wilson, Ward CPA Firm  
PO Box 205  
Interlochen, MI 49643  
(231) 276-7668

**Wilson, Ward CPA Firm**  
3015 M-137  
P.O. Box 205  
Interlochen MI 49643

David E. Wilson, CPA  
Robert K. Ward, CPA

(231) 276-7668  
Fax: (231) 276-7687

June 23, 2005

Village Manager  
Village of Elberta  
Elberta, Mi

The primary purpose of this letter is to prepare, for management, information which delineates those items encountered during the audit which were either not related to the financial, internal control and compliance reports or were not material enough to comment on relative to them. However, these items might be significant when viewed from a management perspective or in the longer term. This letter is intended only for the use of management and any other parties not informed of these matters might misconstrue their meanings.

Our Responsibility under Generally Accepted Auditing Standards

Our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with general accepted accounting principles. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As part of our audit, we considered the internal control structure of the Village of Elberta. Management has the responsibility for adopting sound accounting policies, for maintaining an adequate and effective system of accounts, for safeguarding assets and for maintaining the structure of the internal control system to help assure the proper recording of transactions. Our consideration of the system of internal control was solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control structure.

Significant Accounting Policies

Management has the responsibility for selection of appropriate accounting policies. In accordance with the terms of our engagement, we will advise management of the appropriateness of the accounting policies and their application. The significant accounting policies used by the Village of Elberta are listed in Note 1. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into the Village of Elberta during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, of transactions for which there is a lack of authoritative guidance or consensus.

### Management Judgements and Accounting Estimates

Some accounting estimates are utilized in financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Our conclusions regarding the reasonableness of the estimates are based on reviewing and testing the historical data provided by management and using this data to compute the liability.

### Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the general purpose financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the Village of Elberta that could potentially cause future financial statements to be materially misstated, even though we have concluded such adjustments are not material to the current financial statements. Our audit adjustments, individually and in the aggregate, have a significant effect on the financial reporting process.

The cooperative attitude of the personnel and the Board was greatly appreciated. The staff has demonstrated their desire to perform their functions in an efficient and proper manner.

There is one area of significant concern:

Comment: The Board has a deficit fund balance.

Recommendation: It should be noted that the fund deficit was not a surprise and the Board was completely aware of the situation. It should also be noted that the recovery from such a deficit will be long and difficult, especially with the problems involving the rental of the dockaminiums and the current delays by the Corp of Engineers.

It was certainly nice to be able to audit in an efficient manner and to have all required records immediately available. This ongoing effort to maintain a positive records management and accounting system is greatly appreciated.

Again, it is important to remember that this report is for information only and provided to management with the sole intent that it can be evaluated with the potential to improve management practices within the Village of Elberta.

Sincerely,

A handwritten signature in cursive script that reads "Wilson Ward CPA Firm".

Wilson Ward CPA Firm

VILLAGE OF ELBERTA  
TABLE OF CONTENTS

1	FINANCIAL STATEMENTS:	
2-3	Report on Compliance and Internal Control over financial reports based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.	
4-5	Independent Auditor's Report	
6-7	MANAGEMENT DISCUSSION AND ANALYSIS	
8	Statement of Net Assets	
9	Statement of Activities	
10	Balance Sheet - Governmental Funds	
11	Statement of Revenue, Expenditures and Changes in Fund Balance - Government al Funds	
12	Comparative Combined Balance Sheet - All Proprietary Fund Types	
13	Comparative Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types	
14	Combined Statement of Cash Flows - All Proprietary Fund Types	
15-21	Notes to Financial Statements	
22	SUPPLEMENTAL STATEMENTS:	
23	Supplemental Letter	
24	Comparative Combining Balance Sheet - All Special Revenue Funds	
25	Comparative Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - All Special Revenue Funds	
26	Comparative Combining Balance Sheet - All Enterprise Funds	
27	Comparative Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - All Enterprise Funds	
28	Combining Statement of Cash Flows - All Enterprise Funds	
29-32	General Fund	Comparative Statement of Revenues, Expenditures and Changes in Fund Balance Budget vs. Actual
33	Major Street Fund	Comparative Balance Sheet
34	Major Street Fund	Comparative Statement of Revenues, Expenditures and Changes in Fund Balance Budget vs. Actual
35	Local Street Fund	Comparative Balance Sheet
36	Local Street Fund	Comparative Statement of Revenues, Expenditures and Changes in Fund Balance Budget vs. Actual
37	Liquor Control Fund	Comparative Balance Sheet
38	Liquor Control Fund	Comparative Statement of Revenues, Expenditures and Changes in Fund Balance Budget vs. Actual
39	Parks and Recreation Fund	Comparative Balance Sheet
40	Parks and Recreation Fund	Comparative Statement of Revenues, Expenditures and Changes in Fund Balance Budget vs. Actual
41	Elberta Public Library	Comparative Balance Sheet
42	Park Fund	Comparative Balance Sheet
43	Park Fund	Comparative Statement of Revenues, Expenditures and Changes in Fund Balance Budget vs. Actual
44	Statement of Fixed Assets and Depreciation - All Enterprise Funds	

# Financial Statements

*Wilson, Ward CPA Firm*  
3015 M-137  
P.O. Box 205  
Interlochen MI 49643

vid E. Wilson, CPA  
bert K. Ward, CPA

(231) 276-1668  
Fax: (231) 276-1687

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING  
STANDARDS

To the Village of Elberta  
Elberta, Mi

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Village of Elberta, Michigan, as of and for the year ended February 28, 2005, which collectively comprise the Village of Elberta, Michigan's basic financial statements and have issued our report thereon dated June 23, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village of Elberta, Michigan's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Elberta, Michigan's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain matters that we reported to management of Village of Elberta, Michigan, in a separate letter dated June 23, 2005.

This report is intended solely for the information and use of the audit committee, management, City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Wilson, Ward CPA Firm*

Interlochen, MI  
June 23, 2005



*Wilson, Ward CPA Firm*

3015 M-137

P.O. Box 205

Interlochen MI 49643

David E. Wilson, CPA  
Robert K. Ward, CPA

(231) 276-7668  
Fax: (231) 276-7687

INDEPENDENT AUDITOR'S REPORT

To the Village Council  
Village of Elberta, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Village of Elberta, Michigan, as of and for the year ended February 28, 2005, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Village of Elberta, Michigan's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village of Elberta, Michigan, as of February 28, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In accordance with Government Auditing Standards, we have also issued our report dated June 23, 2005, on our consideration of the Village of Elberta, Michigan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 4 through 5 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Elberta, Michigan's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Wilson . Ward CPA Firm*

Interlochen, Mi  
June 23, 2005

## VILLAGE OF ELBERTA

### Management's Discussion and Analysis

#### Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide financial statements.

#### The Village as a Whole

The Village's combined net assets decreased 1% from a year ago - decreasing from \$1,977,952 to \$1,957,233. This was primarily caused by the projects completed in the past that are still impacting the Village's present assets.

General Government expenses decreased by \$19,983 during the year. This was due to the need to economize give the problem with capital outlays.

The Village is in the process of formulating a plan to address and improve the Village's present financial climate.

#### Business-Type Activities

The Village's business-type activities consist of the Water and Sewer Fund. We provide water to approximately 90% of Village residents, which comes from the Village water system. We provide sewage treatment to approximately 95% of Village residents through the Betsie Lake Utilities Authority sewage treatment plant.

#### The Village's Funds

Our analysis of the Village's major funds begins on page 8, following the entity wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Village as a whole. The Village Board creates funds to help manage money for specific purposes as well as to show accountability for certain activities such as special property tax millages.

The General Fund pays for most of the Village's governmental services. The amount transferred to the General Fund is supported by a detailed calculation of the current year costs of the specific capital outlay approved by the Village Board. During the current year, there were no assets added to the General Fixed Assets.

#### General Fund Budgetary Highlights

Over the course of the year, the Village Board continued to face a major fiscal crisis caused by past Village projects which were plagued with problems resulting in cost overruns. Village departments overall stayed within budget, resulting in total expenditures being below budget.

The Village is continuing to battle the spiraling monthly sewage charges which are the result of large amounts of ground water infiltrating into the Village's antiquated sewer system. A sewer project to correct this situation will start in October, 2005. The project will be financed by grant funds of \$807,600 from USDA and CDGB and a loan of \$204600 from USDA.

#### Capital Asset and Debt Administration

At the end of 2005, the Village had invested in a broad range of capital assets, including buildings, police, and water and sewer lines. In addition, the Village has invested significantly in major and local roads within the Village. These assets are not reported in the Village's financial statements because of Michigan law which makes these roads the property of the County Road Commission (along with the responsibility to maintain them).

#### Economic Factors and Next Year's Budgets and Rates

The Village's budget for 2005-2006 is reflective of the Village's financial difficulties. The budget has been cut back to allow for an improvement in the Village's assets and subsequent financial recovery. The Village is watching its budget carefully and expects with careful planning to see a complete financial recuperation.

#### Contacting the Village's Management

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the clerk's office at (231) 352-7201.

VILLAGE OF ELBERTA  
STATEMENT OF NET ASSETS  
FEBRUARY 28, 2005

	Primary Government		Component Unit
	Governmental Activities	Business-type Activities	EDC
<b>ASSETS</b>			
Cash, investments and cash equivalents			
Receivables (net)	(\$308,898)	\$494,286	\$185,388
Prepaid Expenditures	13,456	6,388	19,844
Internal balances	3,770		3,770
Inventories	38,376	23,557	61,933
Capital Assets, net (Note 9)	740,108	946,188	0
Total Assets	486,813	1,470,420	1,957,233
			4,983
<b>LIABILITIES</b>			
Accounts payable	2,677	3,435	6,112
Deferred revenue	2,524	3,974	6,498
Due to Other Agencies	53,213	2,699	55,912
Noncurrent liabilities (Note 2):			0
Due within one year		2,000	2,000
Due in more than one year		136,000	136,000
Total Liabilities	58,414	148,108	206,522
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	724,027		724,027
Restricted for:			
Capital projects			0
Debt Service		33,067	33,067
Unrestricted (deficit)	(295,629)	1,289,245	993,616
Total Net Assets	428,399	1,322,312	1,750,711
Total Liabilities and Net Assets	\$486,813	\$1,470,420	\$1,957,232
			\$4,983

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED FEBRUARY 28, 2005

Functions/Programs	Program Revenues			Net (Expense) Revenue and		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Business-type Activities
Primary government						
Governmental activities:						
Legislative						
General government	\$75,455	\$440			(\$75,015)	(\$75,015)
Public safety	39,719	13,521			(26,198)	(26,198)
Public works	88,122	0			(88,122)	(88,122)
Health and Welfare	8,968				(8,968)	(8,968)
Community and Economic Development	0				0	0
Recreation and Culture	0				0	0
Other	41,466				0	0
Interest on Long Term Debt	0				(41,466)	0
Total Governmental Activities	253,730	13,961	0	0	(239,769)	0
Business Type Activities						
Enterprise Funds						
Total Primary Government	225,846	214,163	0	0	(11,683)	(11,683)
	479,576	228,124	0	0	(239,769)	(251,452)
Component Unit						
EDC	\$9,208		\$5,165			(\$4,043)
General revenues:						
Taxes						
Property Taxes-general					\$105,227	\$120,470
Property Taxes-debt service					0	0
State-Shared Revenues					91,899	91,899
Unrestricted Investment Earnings					15,454	(8,442)
Franchise taxes					0	7,012
Contributions					0	0
Miscellaneous					0	0
Transfers					28,241	30,701
					11,532	4,645
Total General Revenues-Special Items and Transfers					252,353	266,259
Changes in Net Assets					12,583	2,223
						(4,015)
Net Assets - Beginning					415,816	1,287,022
						8,998
Net Assets - Ending					\$428,399	\$1,289,245
						\$4,983

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
FEBRUARY 28, 2005

	General Fund	Other Non-major Funds	Total
<b>ASSETS</b>			
Cash, investments and cash equivalents	(\$463,127)	\$154,229	(\$308,898)
Receivables (net)	9,612	3,844	13,456
Prepaid Expenditures	3,770		3,770
Internal balances	2,267	36,109	38,376
Inventories			0
Capital Assets, net (Note 1)			0
<b>Total Assets</b>	<b>(447,478)</b>	<b>194,183</b>	<b>(253,296)</b>
<b>LIABILITIES</b>			
Accounts payable	2,238	0	2,238
Internal balances	53,213		
Accrued payables	439		
Deferred revenue	1,121	1,403	2,524
Noncurrent liabilities (Note 2):			0
Due within one year			0
Due in more than one year			0
<b>Total Liabilities</b>	<b>57,011</b>	<b>1,403</b>	<b>58,414</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt			
Restricted for:			
Capital projects			0
Debt Service			0
Unrestricted (deficit)	(504,489)	208,861	(295,629)
<b>Total Net Assets</b>	<b>(504,489)</b>	<b>208,861</b>	<b>(295,629)</b>
<b>Total Liabilities and Net Assets</b>	<b>(\$447,479)</b>	<b>\$210,264</b>	<b>(\$237,215)</b>

Amounts reported for Governmental Funds Balance Sheet are different because:

Balance per above		(\$237,215)
Add Capital Assets	756,415	
Less Current Portion of Long Term Debt		
<b>Balance per Governmental Funds Balance Sheet</b>		<b>\$503,120</b>

VILLAGE OF ELBERTA  
STATEMENT OF REVENUE, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
YEAR ENDED FEBRUARY 28, 2005

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Taxes and Penalties	\$75,932	\$29,295	\$105,227
Licenses and Permits	440		440
Federal Grants			0
State Grants	54,572	37,327	91,899
Charges for Services	13,521		13,521
Fines and Forfeits			0
Interest and Rentals	15,453	1	15,454
Other Revenue	21,958	6,283	28,241
<b>Total Revenues</b>	<b>181,876</b>	<b>72,906</b>	<b>254,782</b>
<b>Expenditures</b>			
<b>Current</b>			
Legislative	75,455		75,455
General Government	39,719		39,719
Public Safety	70,940	17,182	88,122
Public Works	8,968	0	8,968
Health and Welfare			0
Recreation and Cultural	0		0
Other	0	27,159	27,159
<b>Capital Outlay</b>		0	0
<b>Debt Service</b>	0		0
<b>Total Expenditures</b>	<b>195,082</b>	<b>44,341</b>	<b>239,423</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(13,206)</b>	<b>28,565</b>	<b>15,359</b>
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	33,099	33,099
Transfers (Out)	(21,567)	0	(21,567)
Bond Proceeds	0		
<b>Total Other Financing Sources (Uses)</b>	<b>(21,567)</b>	<b>33,099</b>	<b>11,532</b>
<b>Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(34,773)</b>	<b>61,664</b>	<b>26,890</b>
<b>Fund Balance March 1, 2003</b>	<b>(469,716)</b>	<b>147,197</b>	<b>(322,519)</b>
<b>Fund Balance February 29, 2004</b>	<b>(\$504,489)</b>	<b>\$208,861</b>	<b>(\$295,629)</b>

Amounts reported for governmental activities in the statement of activities are different because:

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$26,890</b>
Governmental funds report capital outlays as expenditures; in the statement of activities these costs are allocated over their estimate useful lives as depreciation.	(\$16,307)
Repayment of bond principal is an expenditure in governmental funds, but not in the statement of activities.	2,000
Changes in compensated absences are recorded when earned.	0
<b>Change in Net Assets of Governmental Activities</b>	<b>\$12,583</b>

The footnotes are an integral part of these Financial Statements.



VILLAGE OF ELBERTA, MICHIGAN  
Combined Balance Sheet  
All Enterprise Funds  
February 29, 2003 & 2004

	2004	2005
<b>ASSETS</b>		
Cash	\$462,214	\$494,286
Account Receivable - Trade	2,346	2,346
Account Receivable - Grant	0	0
Due From Other Funds	23,558	23,557
Taxes Receivable	4,355	4,042
Property, Plant & Equipment	1,418,710	1,418,709
Less: Accumulated Depreciation	(444,931)	(472,521)
<b>Total Assets</b>	<b>1,465,056</b>	<b>1,470,420</b>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>LIABILITIES:</b>		
Accounts Payable	689	689
Deferred Revenue	(26)	1,312
Security Deposits	0	0
Accrued Interest Payable	2,801	3,855
Due To Other Funds	2,699	2,699
Bonds Payable	140,000	142,000
<b>Total Liabilities</b>	<b>146,163</b>	<b>150,555</b>
<b>FUND EQUITY:</b>		
Retained Earnings		
Unreserved	1,287,022	1,289,245
Reserved	33,067	33,067
<b>Total Fund Equity</b>	<b>1,320,089</b>	<b>1,322,312</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$1,466,252</b>	<b>\$1,470,420</b>

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA, MICHIGAN  
Comparative Combined Statement of Revenues, Expenditures and  
Changes in Retained Earnings  
All Enterprise Fund Types  
For the Year Ended February 29, 2004

	Proprietary Fund Types Enterprise (Memo Only)	
	2005	2004
OPERATING REVENUES		
Charges for Service	\$214,163	\$192,562
Taxes	15,243	14,409
Refunds and Other	2,460	3,661
Total Operating Revenues	231,866	210,632
OPERATING EXPENDITURES		
Operation and Maintenance	183,951	\$148,681
Interest Expense	0	0
Administration	14,305	20,474
Depreciation	27,590	27,590
Total Operating Expenditures	225,846	196,745
Operating Income (Loss)	6,020	13,887
NON-OPERATING INCOME (EXPENSE)		
Interest Expense and Fees	(8,520)	(8,520)
Interest on Investments	78	1,117
Proceeds from Grant	0	0
Transfers in (Out)	4,645	4,700
Total Non-Operating Income (Expense)	(3,797)	(2,703)
NET INCOME (LOSS)	2,223	11,184
RETAINED EARNINGS, BEGINNING	1,287,022	1,275,838
Prior Period Adjustment	0	0
RETAINED EARNINGS, ENDING	\$1,289,245	\$1,287,022

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA, MICHIGAN  
Comparative Combined Statement of Cash Flows  
All Proprietary Fund Types  
For the Years Ended February 29, 2004 and February 28, 2005

	<u>Proprietary Fund Types</u>	<u>Total (Memo Only)</u>	
	<u>Enterprise</u>	<u>2005</u>	<u>2004</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Operating Income	\$6,020	\$6,020	\$13,887
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities			
Depreciation	27,590	27,590	27,590
(Increase) Decrease in Account Receivables - Trade	0	0	647
(Increase) Decrease in Grant Receivable	0	0	0
(Increase) Decrease in Property Taxes Receivable	333	333	(2,662)
(Increase) Decrease in Due From Other Funds	0	0	0
Increase (Decrease) in Deferred Revenue	4,000	4,000	(1,338)
Increase (Decrease) in Accounts Payable	(195)	(195)	0
Increase (Decrease) in Security Deposits	0	0	0
Increase (Decrease) in Accrued Interest Payable	0	0	(1,054)
Increase (Decrease) in Due to Other Funds	0	0	0
Net Cash Provided by Operating Activities	37,748	37,748	37,070
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	78	78	(7,403)
Change in Deposits	4,645	4,645	4,700
Acquisition of Capital Assets	0		
Net Cash Provided by Investing Activities	4,723	4,723	(2,703)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid on Long-Term Debt	0	0	0
Principal paid on Long-Term Debt	(2,000)	(2,000)	2,000
Change in Deposits	0	0	0
Net Cash Used by Financing Activities	(2,000)	(2,000)	2,000
TRANSFERS IN / (OUT)		0	0
NET INCREASE IN CASH AND EQUIVALENTS	40,471	40,471	36,367
CASH AND EQUIVALENTS, BEGINNING	466,205	466,205	429,838
CASH AND EQUIVALENTS, ENDING	\$506,676	\$506,676	\$466,205

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Elberta, Benzie County, was incorporated in 1894 and covers an area of approximately 3.5 square miles. The Village operates under an elected Village Council of 7 members and provides services to its more than 457 residents in many areas including fire protection, water and sewer services, community enrichment and development, and human services.

Presentation

The government-wide financial statements report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely significantly on fees and charges for support.

The statement of activities demonstrates the degree direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or recipients who purchase, use, or benefit from the goods and services provided by the various function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

REPORTING ENTITY

As defined by the Governmental Accounting Standards Board Statement 1, all relevant criteria was reviewed in an attempt to decide if other entities ought to be included in this audit report. If certain oversight responsibility occurs, that subordinate entity activity should be noted in this report. Oversight responsibility is evidenced by:

- selection of governing authority
- designation of management
- ability to significantly influence operations
- budgetary authority
- responsibility to fund deficits or receive surplus funds
- fiscal management
- providing significant subsidies

Based on our review, conducted in accordance with GASB 14 and Michigan Department of Treasury Statement on Michigan Governmental Accounting and Auditing No 5, this report excludes the Economic Development Corporation and as such it is a discreet presentation as a component unit. Its board is appointed by several related units and maintains financial control separate from the Village. The Parks and Rec Commission is appointed by the Board and as such is completely controlled by the Village. Hence, while it operates as a separate commission it is presented as a blended component unit in a special revenue fund of the Village.

This report does not include: - Betsie Lake Utilities Authority

## BASIS OF PRESENTATION

The financial activities of the local unit are recorded in separate funds, categorized and described as follows:

### GOVERNMENTAL FUND TYPES

General Fund - This fund is used to account for all financial transactions not accounted for in another fund, included the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state and federal distributions, grants and other intergovernmental revenues.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted for specific purposes. These funds include the Major and Local Street Funds and Liquor Control Fund.

### PROPRIETARY FUND TYPE

Enterprise Funds - These funds report operations that provide services which are financed primarily by user charges, or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control or other purposes. The Village's Sewer, Water, Rubbish and Marina Funds are Enterprise Funds.

### MEASUREMENT FOCUS

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and Trust and Agency fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 30 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Village's water and sewer function and various other functions of the government. Elimination of these would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) contributions. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

## BASIS OF ACCOUNTING

All governmental funds utilize the modified accrual basis of accounting as described in GASB #1. Under this method, revenues are recognized when received in cash except for those susceptible to accrual, which are recorded as receivable.

Significant revenues susceptible to accrual include property taxes, expenditures reimbursement type grants, certain intergovernmental revenues and operating transfers. Expenditures are recorded when the liability is incurred, except for interest on long-term debt, which is recorded when paid.

The financial statements of proprietary funds are reflected on the accrual basis and recorded as incurred.

## USE OF ESTIMATES

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

## BUDGETS AND BUDGETARY ACCOUNTING

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets shown in the financial statements for these were prepared on a basis not significantly different from modified accrual basis used to reflect actual results.

In the body of the financial statements, the Village's actual expenditures and budgeted expenditures for the budgetary funds have been shown on an account or line-item basis. The approved budgets of the Village for these budgetary funds were adopted to the activity level, or by total fund revenue/expenditures for the smaller funds.

## ACCUMULATED FUND DEFICITS

The General Fund has had an accumulated deficit. This has been created through the payment for capital items in regards to the community park renovation project. The fund deficit totaled **\$469,716**.

## COMPARATIVE DATA

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Villages financial position and operations.

## SICK AND VACATION LEAVE

Village employees can accumulate six (6) sick days annually. Sick leave is non-cumulative and must be used by fiscal year end or it is lost without reimbursement to the employee.

Vacation leave is accumulated by Village employees at the rate of one (1) week per year for one through five years of service with the Village, two (2) weeks per year for six through ten years of service and three (3) weeks per year for employees with more than ten years of service with the Village. Village employees are eligible for vacation leave after 100 days of service with the Village. The vacation time is used within the current fiscal year.

## PENSION/RETIREMENT PLAN

The Village does not provides a pension plan for employees or council members but makes contributions through contribution to an IRS Code Section 457 plan which is maintained by ICMA Retirement Corporation. There are no post retirement benefits.

## NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS

### A. Legal or Contractual Provisions for Deposits and Investments

The Michigan Political Subdivisions Act No. 20, Public Acts of 1943, as amended by Act No. 217, Public Acts of 1982, states the Authority by which Treasurers may invest funds and includes the following:

- a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
- b) Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the state under a law or rule of this state or the United States.
- c) Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase.
- d) Repurchase agreements consisting of instruments listed in subdivision (a).
- e) Bankers' acceptances of United States banks.
- f) Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.
- g) Mutual funds registered under the investment company act of 1940, title I of chapter 686, 54 Stat. 789, 15 USC 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:
  - i) The purchase of securities on a when-issued or delayed delivery basis.
  - ii) The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.
  - iii) The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.
- h) Obligations described in subdivisions (a) through (g) if purchased through an interlocal agreement under the urban cooperation act of 1967.
- i) Investment pools organized under the surplus funds investment pool act, 1982 PA 367.
- j) The investment pools organized under the local government investment pool act, 1985 PA 121. In bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, in which the principal and interest is fully guaranteed by the United States.

- B. Types of Deposits: The Village maintains it's cash deposits in four institutions. The following table categorizes the Village's deposits into the various degrees of security associated with the deposits:

	<u>Checking and Savings</u>	<u>Bank Value</u>
Insured but not Collateralized - Mmkt Fund	\$ 61,403	\$ 61,403
Savings	56,303	56,303
Unsecured and not collateralized	<u>0</u>	<u>0</u>
Total	\$ 46,156	\$ 61,775
Certificates of Deposit	\$ 80,353	\$ 80,353

The fair market value of the certificates of deposit approximates the face value.

### NOTE 3 - INVENTORIES

The village does not maintain any material inventories.

### NOTE 4 - PROPERTY TAX RECOGNITION

Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For property taxes this is deemed to be received within 60 days. The remainder of an delinquent receivables for property tax are classified as Deferred Taxes rather than revenue. Properties are assessed as of December 31, and the related property taxes become a lien on July 1 of the following year. These taxes are due on September 15, with the final collection date of September 14 before they are added to the County tax delinquent rolls.

### NOTE 5 - OPERATING TRANSFERS

There were no operating transfers during the year. Monies transferred between various funds are offset by the appropriate interfund receivable.

### NOTE 6 - SEWER SYSTEM BONDS

On October 4 1989, the Village Council approved the sale of \$164,000 General Obligation Unlimited Tax Sewage Disposal System Bonds series 1989. The bonds are to be repaid with principal payments due on October 1 of each year and interest at 6% to be paid semi-annually.

Amounts needed to amortize the debt through the year 2029 are as follows:

Fiscal Year	Principal	Interest	Total Requirement
2005	2,000	8,280	10,280
2006	3,000	8,160	11,160
2007	3,000	7,920	10,920
2008	3,000	7,800	10,800
2009	3,000	7,620	10,620
2010-2014	20,000	35,040	55,040
2015-2019	28,000	28,020	56,040
2020-2024	36,000	18,600	54,600
2025-2029	40,000	7,200	47,200
Total	<u>138,000</u>	<u>128,400</u>	<u>260,400</u>
Debt Beginning of Year		140,000	
Payment		<u>(2,000)</u>	
Debt at end of Year		<u>138,000</u>	



# NOTE 7 - INTERFUND RECEIVABLE AND PAYABLE

The following are the interfund receivable and payables at February 28, 2005.

	<u>Due To</u>	<u>Due From</u>
General Fund:	Water Fund 5,000	
	Sewer Fund 3,216	
	Rubbish Fund 7,440	
	Major Street 1,619	
	Local Street 904	
	Liquor Control 25,154	
		Sewer Fund 2,267
Sewer Fund:	General Fund 2,267	
		General Fund 3,216
		Water 432
		General Fund 7,440
Rubbish Fund:		
Water Fund:	Sewer Fund 432	
		General Fund 5,000
Major Street:		General Fund 1,619
Local Street:		General Fund 904
Liquor Control:		General Fund 25,154

# NOTE 8- ACCOUNTS RECEIVABLE AND DUE FROM OTHER GOVERNMENTAL UNITS

Following is a schedule of receivables at February 28, 2005:

General Fund	
Taxes	<u>9,612</u>
Total General Fund	9,612
Special Revenue Funds	
Receivable	30,087
Taxes	<u>9,866</u>
Total Special Revenue Funds	39,953
Enterprise Funds	
Taxes	4,042
Utility customers receivable	<u>2,346</u>
Total Enterprise Funds	6,388

#### NOTE 9 - CAPITAL ASSETS

General Fixed Assets have been acquired for general Village purposes and at the time of purchase were recorded as expenditures. The assets have been capitalized and are reported in the Statement of Fixed Assets and Depreciation.

	Assets			Accumulated Depreciation				
	Balance	Additions	Deletions	Balance	Balance	Additions	Deletions	Balance
Real Estate	246,101			246,101				
Buildings	681,597			681,597	171,283	16,307		187,590
Equipment	132,300			132,300	132,000			132,000
Total	1,059,998			1,059,998	286,976	16,307		303,283

#### NOTE 10 - RETAINED EARNINGS AND PRIOR PERIOD ADJUSTMENTS

The \$33,067 represents equity reserved for Retirement of Bond Debt.

The General Fund has a prior period adjustment which constitutes expensing of the accounts receivable for expenditures occurring in the development of the park.

#### NOTE 11 - DEFICIT FUNDS AND EXPENDITURES IN EXCESS OF APPROPRIATIONS

Public Act 621 of 1978, requires that a municipality shall not incur expenditures in excess of the monies appropriated. No activity expended amounts greater than appropriations. However, the General Fund is in deficit and the deficit increased during the current fiscal year.

#### NOTE 12 - CONTRIBUTIONS TO OTHER GOVERNMENTS

The Village of Elberta has entered into a long-term agreement with the Betsie Lake Utility Authority for the Authority to provide sewage treatment facilities. The Village's Sewer Fund is obligated to pay 30.3% of the required annual debt and reserve payments. The debt and debt structure are contained within the Betsie Lake Utility Authority which is audited annually under a separate report.

#### NOTE 13 - RISK MANAGEMENT

All risks are covered through the use of commercial insurance.

## SUPPLEMENTAL STATEMENTS

*Wilson, Ward CPA Firm*  
3015 M-137  
P.O. Box 205  
Interlochen MI 49643

David E. Wilson, CPA  
Robert K. Ward, CPA

(231) 276-7668  
Fax: (231) 276-7687

To the Elberta Village Council  
Elberta, MI

We have audited the combined financial statements of the Village of Elberta, Michigan for the year ended February 28, 2005. Our audits were made for the purpose of forming an opinion on the combined financial statements taken as a whole. The accompanying schedules, as listed in the table of contents, are presented for purposes of the additional analysis and are not a required part of the combined financials statements. Such information has been subjected to the auditing procedures applied in the audits of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

*Wilson Ward CPA Firm*

Interlochen, MI  
June 23, 2005

VILLAGE OF ELBERTA, MICHIGAN  
Combining Balance Sheet  
All Special Revenue Funds  
February 29, 2004 & February 28, 2005

	Major Street Fund		Local Street Fund		Liquor Control Fund		Library Fund		Parks and Recreation Fund		Total (Memo Only)	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
ASSETS												
Cash												
Due From General Fund	\$70,038	\$80,935	\$61,021	\$92,829	(\$27,526)	(\$27,184)	\$843	\$843	\$5,937	\$6,807	\$110,313	\$154,229
Due From State	1,619	1,619	904	904	27,564	27,564					30,087	30,087
Taxes Receivable	5,400	3,900	2,117	2,122							7,517	6,022
			1,403	3,844							1,403	3,844
Total Assets	77,057	86,454	65,445	99,700	38	380	843	843	5,937	6,807	149,320	194,183
LIABILITIES AND FUND EQUITY												
LIABILITIES:												
Accounts Payable	0	0	0	0	0	0	0	0	0	0	0	0
Due to Other Funds	0	0	1,403	1,403	0	0	0	0	0	0	0	0
Deferred Taxes	0	0									1,403	1,403
Total Liabilities	0	0	1,403	1,403	0	0	0	0	0	0	1,403	1,403
FUND EQUITY:												
Fund Balance:												
Unreserved	77,057	86,454	64,042	98,297	38	380	843	843	5,937	6,807	147,917	192,780
Total Fund Equity	77,057	86,454	64,042	98,297	38	380	843	843	5,937	6,807	147,917	192,780
Total Liabilities and Fund Equity	\$77,057	\$86,454	\$65,445	\$99,700	\$38	\$380	\$843	\$843	\$5,937	\$6,807	\$149,320	\$194,183

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA, MICHIGAN  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
All Special Revenue Funds  
For the Year Ended February 29, 2004 & February 28, 2005

	Major Street Fund		Local Street Fund		Liquor Control Fund		Library Fund		Parks and Recreation Fund		Park Fund		Total (Memo Only)	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
<b>REVENUES</b>														
Slate Shared	\$28,060	\$21,675	\$14,760	\$14,635	\$4,000	\$1,018	\$0	\$0	\$0	\$0	\$46,820	\$37,327		
Slate Aid														
Fair Proceeds Other														
Interest	1	0	1	0	0	0	0	0	5,685	4,683			0	0
Other									0	0	300	0	5,685	4,683
Taxes									0	0	650	1,600	302	1
			24,896	29,295			0	0					650	1,600
<b>Total Revenues</b>	<b>28,061</b>	<b>21,675</b>	<b>39,657</b>	<b>43,930</b>	<b>4,000</b>	<b>1,018</b>	<b>0</b>	<b>0</b>	<b>5,685</b>	<b>4,683</b>	<b>950</b>	<b>1,600</b>	<b>24,896</b>	<b>29,295</b>
<b>EXPENDITURES</b>														
Public Safety/Routine Maintenance	3,078	5,975	2,561	1,816									5,639	7,791
Public Safety/Winter Maintenance	10,283	4,264	9,345	4,452									19,628	8,715
Other Administration	2,525	2,039	2,521	3,408			0	0	2,914	3,813			7,960	9,261
Construction Improvements									0		18,599	17,898	18,599	17,898
Contracted Services				0									0	0
Law Enforcement					21,728	676							21,728	676
Capital Outlay			26,056	0					0				26,056	0
<b>Total Expenditures</b>	<b>15,886</b>	<b>12,278</b>	<b>40,483</b>	<b>9,675</b>	<b>21,728</b>	<b>676</b>	<b>0</b>	<b>0</b>	<b>2,914</b>	<b>3,813</b>	<b>18,599</b>	<b>17,898</b>	<b>99,610</b>	<b>44,341</b>
<b>EXCESS REVENUES OVER (UNDER)</b>														
<b>EXPENDITURES</b>	<b>12,175</b>	<b>9,397</b>	<b>(826)</b>	<b>34,255</b>	<b>(17,728)</b>	<b>342</b>	<b>0</b>	<b>0</b>	<b>2,771</b>	<b>870</b>	<b>(17,649)</b>	<b>(16,298)</b>	<b>(21,257)</b>	<b>28,565</b>
<b>FUND BALANCE, BEGINNING</b>	<b>64,882</b>	<b>77,057</b>	<b>64,868</b>	<b>64,042</b>	<b>246</b>	<b>(682)</b>	<b>843</b>	<b>843</b>	<b>3,166</b>	<b>5,937</b>	<b>0</b>	<b>0</b>	<b>134,005</b>	<b>147,197</b>
Transfer In				0	16,800	16,800								
<b>FUND BALANCE, ENDING</b>	<b>\$77,057</b>	<b>\$86,454</b>	<b>\$64,042</b>	<b>\$98,297</b>	<b>(\$682)</b>	<b>\$16,460</b>	<b>\$843</b>	<b>\$843</b>	<b>\$5,937</b>	<b>\$6,807</b>	<b>\$0</b>	<b>\$0</b>	<b>\$147,197</b>	<b>\$208,861</b>

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA, MICHIGAN  
Combining Balance Sheet  
All Enterprise Funds  
For the Years Ended February 29, 2004 & February 28, 2005

	Sewer Fund		Water Fund		Rubbish Fund		Marina Fund		Total (Memo Only)	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
<b>ASSETS</b>										
Cash	\$255,188	\$278,893	\$110,379	\$112,253	(\$7,438)	(\$6,927)	\$104,085	\$110,067	\$462,214	\$494,286
Account Receivable - Trade	1,797	1,797	549	549	0	0			2,346	2,346
Account Receivable - Grant			0	0					0	0
Due From Other Funds	11,118	11,118	5,000	5,000	7,440	7,439			23,558	23,557
Taxes Receivable	4,355	4,042							4,355	4,042
Property, Plant & Equipment	805,907	805,906	537,127	537,127			75,676	75,676	1,418,710	1,418,709
Less: Accumulated Depreciation	(260,370)	(277,217)	(108,885)	(119,628)			(75,676)	(75,676)	(444,931)	(472,521)
<b>Total Assets</b>	<b>817,995</b>	<b>824,540</b>	<b>544,170</b>	<b>535,301</b>	<b>2</b>	<b>512</b>	<b>104,085</b>	<b>110,067</b>	<b>1,466,252</b>	<b>1,470,420</b>
<b>LIABILITIES AND FUND EQUITY</b>										
<b>LIABILITIES:</b>										
Accounts Payable	168	238	514	389	0	0	7	7	689	634
Deferred Revenue	(26)	3,974							(26)	3,974
Security Deposits			0	0					0	0
Accrued Interest Payable	2,801	2,801							2,801	2,801
Due To Other Funds	2,267	2,267	432	432					2,699	2,699
Bonds Payable	140,000	138,000							140,000	138,000
<b>Total Liabilities</b>	<b>145,210</b>	<b>147,280</b>	<b>946</b>	<b>821</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>7</b>	<b>146,163</b>	<b>148,108</b>
<b>FUND EQUITY:</b>										
Retained Earnings										
Unreserved	639,718	644,193	543,224	534,480	2	512	104,078	110,060	1,287,022	1,289,245
Reserved	33,067	33,067							33,067	33,067
<b>Total Fund Equity</b>	<b>672,785</b>	<b>677,260</b>	<b>543,224</b>	<b>534,480</b>	<b>2</b>	<b>512</b>	<b>104,078</b>	<b>110,060</b>	<b>1,320,089</b>	<b>1,322,312</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$817,995</b>	<b>\$824,540</b>	<b>\$544,170</b>	<b>\$535,301</b>	<b>\$2</b>	<b>\$512</b>	<b>\$104,085</b>	<b>\$110,067</b>	<b>\$1,466,252</b>	<b>\$1,470,420</b>

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA, MICHIGAN  
Combining Comparative Statement of Revenues, Expenses and Changes in Retained Earnings  
All Enterprise Funds  
For the Years Ended February 29, 2004 & February 28, 2005

	Sewer Fund		Water Fund		Rubbish Fund		Marina Fund		Total (Memo Only)	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
<b>OPERATING REVENUES</b>										
Charges for Service	\$137,826	\$135,429	\$31,189	\$29,905	\$10,637	\$9,605	\$12,910	\$39,224	\$192,562	\$214,163
Tax Assessments	14,409	15,243	0	0	0	0	0	0	14,409	15,243
Refunds and Other	2,906	1,905	0	0	755	555	0	0	3,661	2,460
<b>Total Revenues</b>	<b>155,141</b>	<b>152,577</b>	<b>31,189</b>	<b>29,905</b>	<b>11,392</b>	<b>10,160</b>	<b>12,910</b>	<b>39,224</b>	<b>210,632</b>	<b>231,866</b>
<b>OPERATING EXPENDITURES</b>										
Operations and Maintenance	105,337	116,852	29,576	22,705	12,397	11,150	1,371	33,244	148,681	183,951
Interest Expense	0	0							0	0
Administration	6,674	5,957	9,519	5,202	4,281	3,146	0	0	20,474	14,305
Depreciation and Amortization	16,847	16,847	10,743	10,743	0	0	0	0	27,590	27,590
<b>Total Expenditures</b>	<b>128,858</b>	<b>139,656</b>	<b>49,838</b>	<b>38,650</b>	<b>16,678</b>	<b>14,296</b>	<b>1,371</b>	<b>33,244</b>	<b>196,745</b>	<b>225,846</b>
<b>OPERATING INCOME (LOSS)</b>	<b>26,283</b>	<b>12,921</b>	<b>(18,649)</b>	<b>(8,745)</b>	<b>(5,286)</b>	<b>(4,136)</b>	<b>11,539</b>	<b>5,980</b>	<b>13,887</b>	<b>6,020</b>
<b>NON-OPERATING INCOME (EXPENSE)</b>										
Interest on Investments	1,112	74	2	1	1	1	2	2	1,117	78
Proceeds from Grant	0	0							0	0
Transfers In (Out)	(8,520)	(8,520)			4,700	4,645			4,700	4,645
Bond Interest and Fees									(8,520)	(8,520)
<b>Total Non-Operating Income (Expenses)</b>	<b>(7,408)</b>	<b>(8,446)</b>	<b>2</b>	<b>1</b>	<b>4,701</b>	<b>4,646</b>	<b>2</b>	<b>2</b>	<b>(2,703)</b>	<b>(3,797)</b>
<b>NET INCOME (LOSS)</b>	<b>18,875</b>	<b>4,475</b>	<b>(18,647)</b>	<b>(8,744)</b>	<b>(585)</b>	<b>510</b>	<b>11,541</b>	<b>5,982</b>	<b>11,184</b>	<b>2,223</b>
<b>RETAINED EARNINGS, BEGINNING</b>	<b>620,843</b>	<b>639,718</b>	<b>561,871</b>	<b>543,224</b>	<b>587</b>	<b>2</b>	<b>92,537</b>	<b>104,078</b>	<b>1,275,838</b>	<b>1,287,022</b>
<b>RETAINED EARNINGS, ENDING</b>	<b>\$639,718</b>	<b>\$644,193</b>	<b>\$543,224</b>	<b>\$534,480</b>	<b>\$2</b>	<b>\$512</b>	<b>\$104,078</b>	<b>\$110,060</b>	<b>\$1,287,022</b>	<b>\$1,289,245</b>

The footnotes are an integral part of these Financial Statements.



VILLAGE OF ELBERTA, MICHIGAN  
Combining Statement of Cash Flows  
All Enterprise Funds  
For the Year Ended February 28, 2005

	Sewer Fund	Water Fund	Rubbish Fund	Marina Fund	Total (Memo Only)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net Operating Income	\$12,921	(\$8,745)	(\$4,136)	\$5,980	\$6,020
Adjustment to Reconcile Net Operating Income to Net Cash Provided by Operating Activities					
Depreciation	16,847	10,743	0	0	27,590
(Increase) Decrease in Account Receivable - Trade	0	0			0
(Increase) Decrease in Grant Receivable		0			0
(Increase) Decrease in Property Taxes Receivable	333				333
(Increase) Decrease in Due From Other Funds	0		0		0
Increase (Decrease) in Deferred Revenue	4,000				4,000
Increase (Decrease) in Accounts Payable	(70)	(125)	0	0	(195)
Increase (Decrease) In Due To Other Funds	0	0			0
Increase ( Decrease) in Accrued Interest Payable	0				0
Net Cash Provided by Operating Activities	34,031	1,873	(4,136)	5,980	37,748
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest on Investments	74	1	1	2	78
Transfers in			4,645		4,645
Acquisition of Capital Assets	0				0
Net Cash Provided by Investing Activities	74	1	4,646	2	4,723
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Interest paid on Long-Term Debt	(8,400)	0	0	0	(8,400)
Principal paid on Long-Term Debt	(2,000)				(2,000)
Change in Reserved Retained Earnings	0	0			0
Net Cash Used by Financing Activities	(10,400)	0	0	0	(10,400)
TRANSFERS IN (OUT)	0				0
NET INCREASE IN CASH AND EQUIVALENTS	23,705	1,874	510	5,982	32,071
CASH AND EQUIVALENTS, BEGINNING	255,188	110,379	(7,438)	104,085	462,214
CASH AND EQUIVALENTS, ENDING	\$278,893	\$112,253	(\$6,928)	\$110,067	\$494,285

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA  
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance  
General Fund  
For the Year Ended February 29, 2004 & February 28, 2005

	Original Budget	Final Budget	2004 Actual	2005	Variance Favorable (Unfavorable)
<u>Revenue</u>					
Current Property Taxes	\$63,000	\$65,000	\$62,246	\$75,572	10,572
Specific Tax	0	432	504	360	(72)
Licenses and Permits	400	400	280	440	40
State Shared Revenues	60,000	50,000	61,948	54,572	4,572
Insurance Paybacks	2,500	2,500	3,269	2,911	411
Earned Interest	300	10	5	4	(6)
Rents and Royalties	15,600	15,000	22,059	14,212	(788)
Charges for Service	15,000	15,000	14,191	13,521	(1,479)
Woodlands	0	0	0	0	0
Contingency	0	0	0	0	0
Grant - MDEQ	0	0	25,000	0	0
DEQ	0	0	0	0	0
Grants-DNR Trust Fund	28,500	0	0	0	0
DNR State Grant	0	0	0	0	0
Vaunt-Courier	0	0	0	0	0
Foundation Grant	0	0	0	0	0
Park Escrow	0	0	0	0	0
Other Revenue	20,540	84,699	19,008	19,047	(65,652)
Insurance Claim	0	0	0	0	0
Interest CDs	5,000	1,500	1,638	1,237	(263)
Total Revenues	\$210,840	\$234,541	\$210,148	\$181,876	(52,665)
<u>Expenditure</u>					
Legislative					
Township Board:					
Salaries and Wages	\$4,600	\$4,600	\$4,046	\$4,304	296
Mileage	0	0	0	0	0
Dues	700	700	689	601	99
Professional Fees	18,600	17,000	13,490	10,716	6,284
Zoning, Planning	1,100	1,100	932	936	164
Payroll Tax	7,500	8,100	8,094	7,297	803
Insurance	38,500	43,859	42,470	36,633	7,226
MDOT Payment	0	0	0	0	0
Interest Expense	0	0	0	0	0
Fkft/Eberta Athletic Assoc	500	500	500	500	0
Fkft Comm Assoc	500	500	0	500	0
Christmas Promo	400	400	221	0	400
Other Functions	3,000	2,000	0	0	2,000
Elberta Library	1,500	1,600	2,030	1,594	6
Misc	20,000	11,000	21,453	10,555	445
Parks Maint	500	650	491	563	87
Brownfield Redev	0	0	0	0	0
Specific Tax	0	432	423	302	130
DEQ Grants	0	0	0	0	0
MDOT Life Saving	0	0	0	0	0
DNR Grant - Phase II	0	0	131,867	0	0
DNR Grant - Phase II	0	0	0	0	0
TEA 21 Grant	0	0	0	0	0
Park Escrow	0	0	0	0	0
Printing	2,000	1,000	599	954	46
Total Township Board	\$99,400	\$93,441	\$227,305	\$75,455	17,986

VILLAGE OF ELBERTA  
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance  
General Fund  
For the Year Ended February 29, 2004 & February 28, 2005

	Original Budget	Final Budget	2004 Actual	2005	Variance Favorable (Unfavorable)
General Government:					
Elections:					
Salaries and Wages	\$0	\$400	\$0	\$280	120
Miscellaneous	200	200	200	0	200
Printing and Supplies	0	150	0	0	150
Total Elections	200	750	200	280	470
Assessor:					
Salaries and Wages	0	0	0	0	0
Total Assessor	0	0	0	0	0
Clerk:					
Salaries and Wages	14,500	14,500	14,114	14,464	36
Bond	275	499	48	499	0
Miscellaneous	50	50	37	0	50
Pension	500	500	500	500	0
Training	200	200	20	0	200
Mileage and Travel	100	100	38	0	100
Total Clerk	15,625	15,849	14,757	15,463	386
Treasurer:					
Salaries and Wages	10,000	10,000	9,632	9,668	332
Bond	275	511	48	413	98
Education	500	500	401	511	(11)
Pension	500	500	500	500	0
Mileage and Travel	400	400	389	400	0
Printing	800	800	658	663	137
Miscellaneous	50	50	-32	42	8
Total Treasurer	12,525	12,761	11,596	12,197	564
Community Building:					
Public Utilities	1,700	1,700	1,557	1,558	142
Telephone	0	0	0	0	0
Supplies	100	100	13	0	100
Insurance	170	175	173	104	71
Maintenance		0	0	0	0
Repairs and Maintenance	800	200	87	123	77
Miscellaneous	0	0	0	0	0
Total Community Building	2,770	2,175	1,830	1,785	390
Office:					
Supplies	3,000	2,200	2,826	2,130	70
Public Utilities	1,200	1,200	851	857	343
Telephone	2,500	2,500	2,195	2,321	179
G/W/S	300	300	300	300	0
Repairs and Maintenance	350	400	396	316	84
Petty Cash Reimbursements	0	0	0	0	0
Rent	105	115	100	101	14
Postage	1,000	1,000	970	996	4
Casual Labor	0	0	0	0	0
Equipment	500	3,000	488	2,973	27
Total Office	8,955	10,715	8,126	9,994	721
Total General Government	\$40,075	\$42,250	\$36,509	\$39,719	2,531

VILLAGE OF ELBERTA  
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance  
General Fund  
For the Year Ended February 29, 2004 & February 28, 2005

	Original Budget	Final Budget	2004 Actual	2005	Variance Favorable (Unfavorable)
Public Safety:					
Fire Protection:					
Salaries and Wages	\$0	\$0	\$0	\$0	0
Supplies	0	0	0	0	0
Insurance	750	200	173	104	96
Contract Services	9,000	12,000	8,306	10,261	1,739
Gas/Oil	0	0	0	0	0
Hydrant Rental	1,000	1,000	1,020	1,000	0
Miscellaneous	0	0	0	0	0
Public Utilities	1,200	1,200	1,067	1,060	140
G/W/S	300	300	300	300	0
Training	0	0	0	0	0
Repairs and Maintenance	100	100	0	20	80
Capital Outlay	0	0	0	0	0
Total Fire Protection	12,350	14,800	10,866	12,745	2,055
Garage					
Labor	55,000	55,000*	56,371	44,891	10,109
Retirement	1,000	1,000	1,000	1,000	0
Supplies	3,000	3,000	2,729	2,639	361
Gas/Oil	2,300	2,500	2,220	2,047	453
Casual Labor	2,000	2,000	1,152	1,999	1
Mileage	150	150	94	53	97
Public Utilities	2,000	2,000	1,816	1,633	367
G/W/S	300	300	300	300	0
Telephone	600	950	569	738	212
Miscellaneous	500	500	482	443	57
Repairs and Maintenance	6,500	6,500	6,387	1,879	4,621
Equipment	1,000	1,000	295	573	427
Total Garage	74,350	74,900	73,415	58,195	16,705
Total Public Safety	86,700	89,700	84,281	70,940	18,760
Public Works:					
Street Lighting	9,000	9,000	8,767	8,877	123
Xmas Lights	150	150	98	91	59
Sidewalk Construction	0	0	0		0
Total Public Works	\$9,150	\$9,150	\$8,865	\$8,968	182

VILLAGE OF ELBERTA  
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance  
General Fund  
For the Year Ended February 29, 2004 & February 28, 2005

	Original Budget	Final Budget	2004 Actual	2005	Variance Favorable (Unfavorable)
Capital Outlay					
Payment of LTD	\$0	\$0	\$0	\$0	0
Auto offset to LTD	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>235,325</u>	<u>234,541</u>	<u>356,960</u>	<u>195,082</u>	<u>39,459</u>
Excess Revenues Over (Under) Expenditure	<u>(24,485)</u>	<u>0</u>	<u>(146,812)</u>	<u>(13,206)</u>	<u>(13,206)</u>
Other Financing Sources (Uses)					
Transfers Out	24,485	24,485	39,149	21,567	2,918
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>(48,970)</u>	<u>(24,485)</u>	<u>(185,961)</u>	<u>(34,773)</u>	<u>(10,288)</u>
Fund Balance - Beginning of Year			(283,755)	(469,716)	
Fund Balance - End of Year			<u>(469,716)</u>	<u>(504,489)</u>	

VILLAGE OF ELBERTA  
Balance Sheet  
Major Street  
For the Year Ended February 29, 2004 & February 28, 2005

	2004	2005
ASSETS		
Cash	\$70,038	\$80,935
Due From State	5,400	3,900
Due From General Fund	<u>1,619</u>	<u>1,619</u>
Total Assets	<u>77,057</u>	<u>86,454</u>
LIABILITIES & FUND BALANCE		
Liabilities	0	0
Fund Balance	<u>77,057</u>	<u>86,454</u>
Total Liabilities & Fund Balance	<u>\$77,057</u>	<u>\$86,454</u>

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
Major Street  
For the Year Ended February 28, 2004 & February 28, 2005

	2004	2005	Variance
	Budget	Actual	Favorable (Unfavorable)
REVENUES			
State Shared	\$21,203	\$28,060	\$21,675
Interest	1	1	0
Contingency	0	0	0
Total Revenues	21,204	28,061	21,675
EXPENDITURES			
Public Works:			
Administration	3,408	2,525	2,039
Highways, Streets and Bridges:			
Routine Maintenance	5,254	3,078	5,975
Winter Maintenance	5,400	10,283	4,264
Capital Outlay	0	0	0
Total Expenditures	14,062	15,886	12,278
EXCESS REVENUES OVER (UNDER) EXPENDITURES	7,142	12,175	9,397
Other Financing Sources (Uses)			
Transfers In			
Transfers Out			
FUND BALANCE, BEGINNING OF YEAR	64,882	77,057	
FUND BALANCE, END OF YEAR	\$77,057	\$86,454	

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA  
Balance Sheet  
Local Street  
For the Year Ended February 29, 2004 & February 28, 2005

	2004	2005
ASSETS		
Cash	\$61,021	\$92,829
Due From General Fund	904	904
Due From State	2,117	2,122
Taxes Receivable	1,403	3,844
Total Assets	<u>\$65,445</u>	<u>\$99,700</u>
LIABILITIES & FUND BALANCE		
Deferred Revenue	\$1,403	\$1,403
Fund Balance	<u>64,042</u>	<u>98,297</u>
Total Liabilities & Fund Balance	<u>\$65,445</u>	<u>\$99,700</u>

The footnotes are an integral part of these Financial Statements.



VILLAGE OF ELBERTA  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
Local Street  
For the Year Ended February 29, 2004 & February 28, 2005

	2004		2005	Variance
	Budget	Actual		Favorable (Unfavorable)
REVENUES				
State Shared	\$12,000	\$14,760	\$14,635	\$2,635
Interest	1	1	0	(1)
Road Taxes	26,000	24,896	29,295	3,295
Contingency	0	0	0	0
Total Revenues	38,001	39,657	43,930	5,929
EXPENDITURES				
Public Works:				
Administration	3,408	2,521	3,408	(0)
Highways, Streets and Bridges:				
Routine Maintenance	3,350	2,561	1,816	1,534
Winter Maintenance	5,600	9,345	4,452	1,148
Contracted Services	0	26,056	0	0
Capital Outlay	0	0	0	0
Total Expenditures	12,358	40,483	9,675	2,683
EXCESS REVENUES OVER (UNDER) EXPENDITURES	25,643	(826)	34,255	8,612
Other Financing Sources / (Uses)				
Transfer in				
Transfer Out				
FUND BALANCE, BEGINNING OF YEAR		64,868	64,042	
FUND BALANCE, END OF YEAR		<u>\$64,042</u>	<u>\$98,297</u>	

VILLAGE OF ELBERTA  
Balance Sheet  
Liquor Control Fund  
For the Year Ended February 29, 2004 & February 28, 2005

	2004	2005
ASSETS		
Cash	(\$27,526)	(\$27,184)
Due From General Fund	<u>\$27,564</u>	<u>\$27,564</u>
Total Assets	<u>\$38</u>	<u>\$380</u>
LIABILITIES & FUND BALANCE		
Fund Balance	<u>\$38</u>	<u>\$380</u>

The footnotes are an integral part of these Financial Statements.

VILLAGE OF ELBERTA  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
Liquor Control Fund  
For the Year Ended February 29, 2004 & February 28, 2005

	2004	2005	Variance
	Budget	Actual	Favorable (Unfavorable)
REVENUES			
State Grant	\$1,000	\$4,000	\$1,018
Interest	1	0	0
Contingency	0	0	0
Total Revenues	1,001	4,000	1,018
EXPENDITURES			
Contracted Labor	1,000	21,219	0
Insurance	509	509	509
Miscellaneous	0	0	167
Total Expenditures	1,509	21,728	676
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(508)	(17,728)	342
Other Financing Sources/(Uses)			
Transfers In		16,800	0
Transfers Out		0	0
FUND BALANCE, BEGINNING OF YEAR		966	38
FUND BALANCE, END OF YEAR		\$38	\$380

The footnotes are an integral part of these Financial Statements.

PARKS AND RECREATION FUND  
THE VILLAGE OF ELBERTA  
Balance Sheet  
For the Year Ended February 28, 2004 & 2005  
Parks and Recreation Fund

	2004	2005
ASSETS		
Cash	<u>\$5,937</u>	<u>\$6,807</u>
Total Assets	<u>5,937</u>	<u>6,807</u>
LIABILITIES & FUND BALANCE		
Fund Balance	<u>5,937</u>	<u>6,807</u>
Total Liabilities and Fund Balance	<u>\$5,937</u>	<u>\$6,807</u>

The footnotes are an integral part of these Financial Statements.

PARKS AND RECREATION FUND  
THE VILLAGE OF ELBERTA  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
For the Year Ended February 29, 2004 & February 28, 2005  
Parks and Recreation

	<u>2004</u>	<u>2005</u>
REVENUES		
Art Fair	\$1,926	\$1,900
Donations/Other	2,388	70
Farmers Market	1,371	2,713
Interest	<u>0</u>	<u>0</u>
Total Revenues	<u>5,685</u>	<u>4,683</u>
EXPENSES		
Advertising	132	0
Supplies/Art Fair	0	698
Supplies/Solstice	0	0
Supplies/Other	2,782	3,116
Treasurers Bond	0	0
Capital Outlay	<u>0</u>	<u>0</u>
Total Expenses	<u>2,914</u>	<u>3,813</u>
EXCESS REVENUE OVER (UNDER) EXPENSES	2,771	870
FUND BALANCE, BEGINNING OF YEAR	<u>3,166</u>	<u>5,937</u>
FUND BALANCE, END OF YEAR	<u><u>\$5,937</u></u>	<u><u>\$6,807</u></u>

The footnotes are an integral part of these Financial Statements.

ELBERTA PUBLIC LIBRARY  
Comparative Balance Sheet  
For the Year Ended February 29, 2004 and February 28, 2005

ASSETS	2004	2005
Cash	<u>\$843</u>	<u>\$843</u>
Total Assets	<u>\$843</u>	<u>\$843</u>
LIABILITIES & FUND BALANCE		
Fund Balance	<u>\$843</u>	<u>\$843</u>

VILLAGE OF ELBERTA  
Balance Sheet  
Park Fund  
For the Year Ended February 29, 2004 & February 28, 2005

	2004	2004
ASSETS		
Cash	\$0	\$0
Due From General Fund	<u>0</u>	<u>0</u>
Total Assets	<u>0</u>	<u>0</u>
LIABILITIES & FUND BALANCE		
Accounts Payable	0	0
Due to General Fund	0	0
Fund Balance	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$0</u>	<u>\$0</u>

VILLAGE OF ELBERTA  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
Park Fund  
For the Year Ended February 29, 2004 & February 28, 2005

	2004	2005	Variance
	Budget	Actual	Favorable (Unfavorable)
REVENUES			
Park Escrow	\$0	\$0	\$0
Interest	0	300	0
Rent	1,600	0	1,600
Contingency	0	650	0
Total Revenues	1,600	950	1,600
EXPENDITURES			
Labor	0	0	0
Contract Services	9,000	9,807	8,766
Supplies	600	243	442
Utilities	4,600	4,482	4,823
Repairs/Maintenance	4,000	4,067	3,867
Total Expenditures	18,200	18,599	17,898
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(16,600)	(17,649)	(16,298)
Other Financing Sources/(Uses)			
Transfers In		17,649	16,299
Transfers Out		0	0
FUND BALANCE, BEGINNING OF YEAR		0	0
FUND BALANCE, END OF YEAR		\$0	\$0



## FIXED ASSETS

- 44 -

The footnotes are an integral part of these Financial Statements.